PATENT COOPERATION TREATY.

| INTERNATIONAL SEARCHING AUTH | ORITY | | | | |
|--|--|---|-------------------------------|---------------------------------|------------------------|
| To: MARYDILYS ANDERSON WOLF, GREENFIELD & SACKS, P.C. | | PCT | | | |
| 600 ATLANTIC AVENUE BOSTON, MA 02210 | | | | OPINION OF THE EARCHING AUTH | ORITY |
| | | | (PCT | Rule 43 <i>bis</i> .1) | |
| | | Date of mailing (day/month/year) | .1 : | 9 JUL 2005 | |
| Applicant's or agent's file reference H0498.70215 | - | FOR FURTHER | ACTION | graph 2 below | |
| International application No. | International filing date | | | date (day/month/year) | |
| PCT/US04/40977 International Patent Classification (IPC) | 08 December 2004 (08.1 or both national classification | | 08 December 2003 (08.12.2003) | | |
| IPC(7): C12N 5/00 and US CI.: 435/371, Applicant | 366, 325 | | | | |
| PRESIDENT ANDFELLOWS OF HAR | VARD COLLEGE | | | DOOKET | |
| This opinion contains indications rel | ating to the following item | s: | | JUL 2 2 2005 | |
| Box No. I Basis of the | Basis of the opinion | | | | |
| Box No. II Priority Box No. III Non-establ | :-h | | | | |
| | shment of opinion with reg ty of invention | gard to noverty, inven | uive step a | and industrial applicabilit | y |
| | tatement under Rule 43bis. | | | nventive step or industri | al |
| | y; citations and explanation uments cited | is supporting such sta | itement | Confirmation | Initials |
| Box No. VII Certain def | ects in the international app | olication | | Docketing . | 12 Ca |
| Box No. VIII Certain obs | ervations on the internation | nal application | | 10/19/05 | 7 |
| 2. FURTHER ACTION If a demand for international prelim | inary evamination is mad | e this opinion will l | he conside | rad to be a written oniv | vion of the |
| International Preliminary Examinin Authority other than this one to be that written opinions of this Internati | g Authority ("IPEA") ex the IPEA and the chosen I | cept that this does PEA has notified the | not apply Internati | where the applicant c | hooses an |
| If this opinion is, as provided above IPEA a written reply together, where of Form PCT/ISA/220 or before the | appropriate, with amendr | nents, before the exp | iration of | 3 months from the date | omit to the of mailing |
| For further options, see Form PCT/IS | SA/220. | • | | | |
| 3. For further details, see notes to Form | PCT/ISA/220. | | | | |
| Name and mailing address of the ISA/ US Mail Stop PCT, Attn: ISA/US | | Authorized officer | Qu. | - li Dhing | 1 |
| Commissioner for Patents P.O. Box 1450 Alexandria, Virginia 22313-1450 | | Leon Lankford | . 272 162 | | - ' |
| Facsimile No. (703) 305-3230 Form PCT/ISA/237 (cover sheet) (January | 2004) | Telephone No. 57 | 1-2/2-160 | | |

WRITTEN OPINION OF THE INTERNATIONAL SEARCHING AUTHORITY

International application No. PCT/US04/40977

| Box No. V Reasoned statement under Rule 43 bis.1(a)(i) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement | | | | | | | |
|---|------------|-----------------------------------|----|--|--|--|--|
| I. Statement | | | | | | | |
| No | ovelty (N) | Claims 2-14, 16-17, 20-33 & 35-50 | YE | | | | |

2. Citations and explanations:

Claims 1, 15, 18-19 & 34 lack novelty under PCT Article 33(2) as being anticipated by Bagutti et al.

Bagutti teaches populations of keratinocytes which are differentiated from embryonic stem cells. The use of an intermediate "nodule" is taught. The reference anticipates the claim subject matter.

Claims 1-50 lack an inventive step under PCT Article 33(3) as being obvious over Bagutti et al.

Bagutti teaches populations of keratinocytes which are differentiated from embryonic stem cells. The use of an intermediate "nodule" is taught. The reference is silent on the specific culture conditions currently claimed however the method claimed would have been obvious to a routineer in the art because Bagutti teaches the differentiating of ES cells into keratinocytes and the factors required to do so. The claimed invention lacks an inventive step because the routineer in the art would have found it obvious to optimize the method of Bagutti to best produce pure cultures of keratinocytes.

Claims 1-50 meet the criteria set out in PCT Article 33(4), and thus have industrial applicability because the subject matter claimed can be made or used in industry.

